

20th Anniversary

RADIAN
CORPORATION

5 May 1989

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Ms. Donna M. McCartney
Compliance Officer
U. S. Environmental Protection Agency
Region III
841 Chestnut Street
Philadelphia, PA 19107

Re: Publicker Industries Site
Philadelphia, PA

Dear Ms. McCartney:

Radian Corporation received your letter dated 31 March 1989 which stated that the company's name had appeared in Publicker's records as a party who arranged for the storage and/or handling of materials at the Publicker site and offered an opportunity for comment on EPA's planned CERCLA response at the site. Although EPA has apparently been working at the site since 1987, this letter was the first indication of Radian's potential involvement in site remediation activities. The letter suggests that EPA has identified Radian as a "potentially responsible party" (PRP) for CERCLA emergency response costs. After researching our records, we have determined that our involvement with the site was short-lived and that all Radian materials sent to the site for temporary storage were removed. This letter describes and documents Radian's involvement with Publicker Industries and our temporary use of the Philadelphia facility in the early 1980s. This letter also presents our comments on EPA's proposed response actions at the site.

The materials which Radian stored at Publicker in 1982-84 were two types of coal-derived synthetic fuel oils: Solvent Refined Coal (SRC) and Exxon Donor Solvent (EDS). These fuels had been produced by Gulf Oil Company and Exxon Company U.S.A., respectively, in the late 1970s with major support from the U. S. Department of Energy. In 1982, USDOE authorized the Electric Power Research Institute (EPRI) of Palo Alto, California, to aggregate these synfuels and to test burn them in power plant boilers for the purpose of determining their technical and environmental performance characteristics. One of the utility test sites was the Philadelphia Electric Company's (PECO) Richmond Station located a few miles north of the Publicker facility. At no time during the performance of the EPRI program did ownership of the fuels reside with Radian.

As part of this synfuels testing program, EPRI in July 1982 contracted with Radian Corporation to perform the "Synthetic Liquid Fuels Logistics Project." Under the EPRI contract (No. RP2112-7), Radian was authorized to facilitate the logistics of collecting the fuels from their various storage locations around the country and of delivering the fuels to the designated utility test sites. The EPRI/Radian project included evaluating and selecting the most

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cost-effective methods of loading, shipping, and storing each fuel pending its use in the utility boilers. The EPRI/Radian project also included an inspection and certification task to verify the cleanliness of transport and storage vessels and to supervise fuel loading/unloading activities.

Under the EPRI contract, the Publicker facility was selected as a temporary synfuels storage site, and a storage tank (No. 9438) and rail siding were leased for temporary storage of SRC and EDS. During the period from early October 1982 to mid-January 1983, Radian shipped a total of nine rail tank cars of SRC to the Publicker site from various locations which were then off-loaded and blended/stored in Tank No. 9438. As required by EPRI, Radian's subcontractor--Hartford Steam Boiler Inspection and Insurance Company--inspected and certified the cleanliness of the tank prior to off-loading and witnessed the off-loading of the fuels at Publicker. On 9 December 1983, the SRC was reloaded into rail tank cars and shipped off-site to a Mississippi power plant for burning rather than to the PECO Richmond Station as originally planned.

In May 1983, three tank cars containing EDS were shipped to the Publicker facility. Unlike the SRC, the rail cars were not unloaded for tank storage at Publicker, but were transferred to a rail storage siding. All tank car appurtenances were sealed by Conrail prior to shipment to Publicker, and no materials were added at the site without Radian's knowledge or approval. The tank cars remained in storage until mid-February 1984 at which time they were removed from Publicker's site to support another utility test burn on the East Coast.

We have thoroughly researched our internal records concerning synfuels shipments into and out of the Publicker facility: freight bills, waybills, and file notes on product movements. This research concludes that all of the synfuels shipped to the Publicker site were ultimately removed and shipped for use off-site. For example, Radian has a Tank 9438 inventory statement from Publicker which shows a final "zero" physical balance on the date the SRC was shipped off-site. At no time during the storage of the SRC and EDS did Publicker advise Radian of any spills or other anomalous losses from product handling, nor is any suggested by our records.

For these reasons, Radian contends that all USDOE/EPRI synfuel products shipped to and temporarily stored at the Publicker facility under the EPRI project were removed from the site and cannot be implicated in any existing environmental problems there. We do not believe, therefore, that EPA should designate Radian as a PRP for the purpose of recouping CERCLA response costs at this site.

At this time, we have no technical comments on the proposed Response Plan for the Publicker site. We do suggest that EPA consider organizing a PRP committee for the purpose of undertaking a private CERCLA response since EPA's 1988

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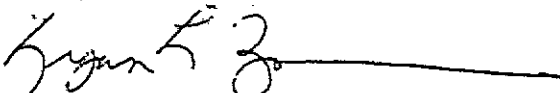
emergency removal action eliminated the immediate threats of fire and explosion.

We request EPA to keep Radian apprised of response activities at the Publicker site. For example, we would like to have any other descriptions of site conditions which have previously been made publicly available. We would also like to know the anticipated timing of PRP designation and the financial status of Publicker, if known. Radian contacts for receipt of additional information about the Publicker site are as follows:

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Lynn L. Zimmerman
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Sincerely,



Lynn L. Zimmerman
Special Counsel to Research and Engineering

cc: Harold Yates, EPA (3PA00)
Jeffrey Winegar, EPA (3HW21)
Alex Fremling, EPRI
Henry Schreiber, EPRI

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